

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEB 23 1993

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of

Petition to Authorize Co-Primary
Sharing of the 450 MHz Air-
Ground Radiotelephone Service
with BETRS

RM-8159

REPLY

Pursuant to Section 1.405 of the Commission's Rules, Alcatel Network Systems, Inc. ("ANS"), by its attorneys, hereby replies to comments on the above-captioned Petition for Rule Making ("Petition").¹ In this Petition, the Petitioners propose reallocation of the 450 MHz Air-to-Ground ("ATG") spectrum to Basic Exchange Radio Telecommunications Service ("BETRS") on a co-primary basis.

I. SUMMARY

BETRS is at a crossroads. Inadequate spectrum is available to support existing and future demand for BETRS where basic telephone service is unavailable or is substandard.

In the 450 MHz band, 26 frequencies are allocated to BETRS. Citing inadequate capacity on these channels and overly restrictive access to BETRS channels in the 150 and 800 MHz bands, the Petitioners seek reallocation of the contiguous 450 MHz ATG channels for co-primary use by BETRS. Substantial support for

¹Public Notice, Report No. 1923 (released Jan. 8, 1993). The Petition was filed jointly by the National Rural Telecom Association, National Telephone Cooperative Association, Organization for the Protection and Advancement of Small Telephone Companies, Rural Electrification Administration, and the U.S. Telephone Association (hereinafter "Petitioners").

allocation of additional spectrum to BETRS is expressed in comments on the Petition. Opposition to reallocation of the 450 MHz band for BETRS consists only of limited and unjustified parochial claims that demand for BETRS has not been documented and that the need for ATG service outweighs any need for BETRS.

While agreeing with the Petitioners that additional spectrum is critical for the survival of BETRS, ANS, in its February 5, 1993, Statement in Support ("Statement"), takes the Petition one step further and advocates designation of the 450 MHz ATG channels for BETRS on an exclusive basis. With the availability of a full 4 MHz of new spectrum for ATG in the 800 MHz band and the associated improvements in aeronautical communications, incumbent 450 MHz ATG licensees have a viable alternative. BETRS licensees do not. To implement this reallocation, a transition period, consistent with 450 MHz ATG licensee needs, could be mandated by the Commission to clear this band for BETRS and to relocate ATG incumbents to the 800 MHz band.

Now is the time for the Commission to address how BETRS could best serve the public interest. Under the Communications Act of 1934, as amended, the Commission is obligated to ensure that universal, nationwide service is available.²

This Commission is committed to making affordable, basic telephone service available to every citizen who wants it. BETRS is an important means to that end.³

²47 U.S.C. Section 151 (1991).

³Basic Exchange Telecommunications Radio Service, 4 FCC Rcd 5017, 5019 (1989).

Unless the Commission solves the spectrum congestion plaguing BETRS and accompanies this reallocation with the adoption of service-appropriate technical operating rules, BETRS could become moribund and rural telephone users would suffer. As proposed below, given the critical importance of BETRS for rural telephone users and the need to ensure its continuation, the Commission, at a minimum, should provide the parties with an opportunity to prove that demand for BETRS or ATG compels the actions they request.

II. REALLOCATION OF THE 450 MHz BAND TO INCREASE BETRS CAPACITY IS SUPPORTED IN THE RECORD

Overwhelming record support exists for reallocation of the 450 MHz band to increase the amount of spectrum available for BETRS. Numerous local exchange carriers ("LECs"), including Southwestern Bell Telephone Company ("SWBT") and various rural carriers,⁴ strongly urge the Commission to increase the number of 450 MHz channels available to BETRS so that pent-up demand can be satisfied. SWBT states that it

uses BETRS to allow rural customers to convert their multi-party line telephone service to single-party line service without the need for SWBT to install additional cable. BETRS also eliminates the need for SWBT to install new cable to replace deteriorated cable in rural areas. In both cases, using BETRS clearly is a more cost-effective alternative than installing cable.⁵

⁴SWBT at 2-3; Haviland Telephone Company at 1-2 ("Haviland"); San Marcos Telephone Company, Inc. ("San Marcos") at 1-2; Century Telephone of Arkansas, Inc. at 1-2; Ronan Telephone Company at 1; The Ponderosa Telephone Co. at 1; United Utilities, Inc. at 1; Nicholville Telephone Company, Inc. at 1; Universal Service Telephone Corporation at 1; California-Oregon Telephone Co. at 1.

⁵SWBT at 2.

Unfortunately, SWBT's ability to exploit BETRS and provide service to unserved or underserved areas is retarded because of severe frequency congestion, leaving "minimal opportunity for [it] to rely on BETRS to meet additional communications needs in rural areas, particularly in those areas experiencing population growth."⁶

Rural LECs also need more BETRS spectrum. For example, San Marcos claims that "due to the success of the initial implementation and demand for services in areas best suited for BETRS, a critical shortage of frequencies, lack of technical filing requirements and frequency coordination procedures have abated the expansion of this high quality and lower cost alternative to wired construction."⁷ Similarly, Haviland states that the "proposed BETR service will replace rural subscriber carrier and deteriorated cable in rural areas of [its] exchanges ... [and] will negate the need for a switching system or an interoffice facility to serve this small community."⁸

The other major BETRS equipment manufacturer, InterDigital Communications Corporation ("InterDigital"), also promotes additional 450 MHz capacity. It declares that "[b]ecause of the dearth of channels available," affordable BETRS is "in jeopardy" and "BETRS installations throughout rural America are being placed

⁶Id.

⁷San Marcos at 2.

⁸Haviland at 1.

on hold awaiting spectrum relief for this valuable service."⁹

III. THE LIMITED OPPOSITION TO REALLOCATION IS WITHOUT MERIT

Opposition to reallocation of the 450 MHz band for BETRS is limited. The National Business Aircraft Association, Inc. ("NBAA") alleges that operation of BETRS in the 450 MHz band on a co-primary basis would stunt ATG growth, would interfere with ATG service, and would not be accommodated by new ATG channels in the 800 MHz band.¹⁰ Similarly, the Mobile Telecommunications Technologies Corp. ("MTel"), an ATG licensee in the 450 MHz band, opposes grant of the Petition because ATG growth requires exclusive frequencies, BETRS demand is not evident, BETRS carriers have failed to exploit fully their current frequencies, and co-primary use causes harmful interference.¹¹ As demonstrated below, such opposition is without merit.

First, neither NBAA nor MTel submits any data to document their claims that demand for ATG cannot be satisfied in the 800 MHz band and must continue to be served by the 450 MHz channels on a primary basis. Such data are needed before any decision to continue limiting BETRS frequencies is made.

Second, the record contains numerous declarations by LECs, which are the ones out in the trenches obligated to provide universal service, that inadequate spectrum exists to meet demand

⁹InterDigital at 3. See also Milford Engineering at 1.

¹⁰NBAA at 2-7.

¹¹MTel at 2.

for BETRS. In addition, ANS and InterDigital state that myriad BETRS customers are unable to satisfy the need for service because channels are unavailable.¹² Documentation of this need would be useful for further Commission and public consideration of reallocating additional spectrum to BETRS.

Third, the claims by NBAA and MTel, that co-primary allocation of the 450 MHz band would interfere with ATG operation, requires more study. In its Statement, ANS recommends that the ATG 450 MHz band should be reallocated to BETRS on a primary basis to ensure that adequate, seamless nationwide coverage is available.¹³ ANS also is concerned that co-primary operation of BETRS and ATG could cause harmful interference to each service, thereby diluting the benefits of any reallocation. This problem, however, would be avoided by reallocating the 450 MHz ATG channels for BETRS on a primary basis.

Fourth, NBAA's argument, that the 800 MHz ATG channels are not an acceptable option for small aircraft because of equipment size, is unavailing. The weight of the ATG equipment is determined by capacity, not by frequency. A small capacity 800 MHz ATG transceiver can be lighter and more sophisticated than the existing 13,000 small aircraft units operating in the 450 MHz band. Payload capacity for small aircraft thus could be increased and associated

¹²Statement at 6; InterDigital at 2.

¹³Statement at 9.

service by or use of such aircraft would be improved.¹⁴

IV. ADOPTION OF A NOTICE OF INQUIRY/NOTICE OF PROPOSED RULE MAKING IS APPROPRIATE

Regrettably, battle lines have been drawn in the comments on the Petition. Proponents state that demand for BETRS and shortage of spectrum justify reallocation of the 450 MHz band. Opponents state that demand for ATG outweighs any need to reallocate its frequencies in the 450 MHz band. Until these claims are reconciled, only the public suffers.

Sufficient anecdotal evidence has been submitted in this proceeding to compel further Commission consideration of the issues raised in the Petition and in the comments. Based upon the record, it is premature for the Commission to take any action that would maintain current restrictions on BETRS deployment. However, more data are needed regarding demand for BETRS and for ATG and regarding what frequencies are best-suited to meet such demand before a prudent and reasoned decision can be made by the Commission. These data include demand for BETRS and ATG on the 450 MHz band and analyses of interference issues associated with co-primary operation of BETRS and ATG on this band.

Under these circumstances, ANS proposes that the Commission adopt a combined Notice of Inquiry and Notice of Proposed Rule

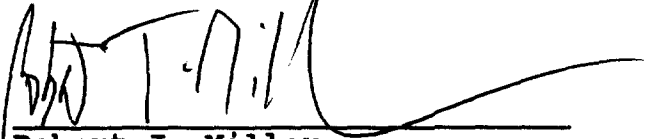
¹⁴NBAA also alleges that the 800 MHz band is not an acceptable option for small aircraft because of cost considerations. NBAA at 7. As documented in its Statement, ANS believes that BETRS needs clear spectrum to operate in the most effective manner. In this regard, perhaps NBAA would support ceding spectrum allocated for ATG in the 800 MHz band to BETRS in return for maintaining its primary use of 450 MHz channels.

Making. In this proceeding, the Commission could solicit the data needed to make its public interest determination regarding BETRS and ATG operation in the 450 MHz band.

Furthermore, to truncate this process, the Commission could propose a menu of specific rules for operation of BETRS and ATG in the 450 MHz and 800 MHz bands that would be consistent with the information obtained. These rules could encompass relocation of the 450 MHz ATG licensees to the 800 MHz band after an appropriate transition period to clear spectrum for primary 450 MHz BETRS or they could encompass co-primary operation of BETRS and ATG on this band. In addition, the Commission could propose adoption of necessary operating rules for BETRS, as ANS recommends in its Statement, that would optimize use of the spectrum ultimately made available.

Respectfully submitted,

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February 22, 1993

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February 22, 1993
GW03/0136998